

VZCZCXRO9771  
PP RUEHQU  
DE RUEHPU #1609/01 2411944  
ZNR UUUUU ZZH  
P 291944Z AUG 06  
FM AMEMBASSY PORT AU PRINCE  
TO RUEHDG/AMEMBASSY SANTO DOMINGO PRIORITY 0487  
RUEHC/SECSTATE WASHDC PRIORITY 3916  
INFO RUEHZH/HAITI COLLECTIVE PRIORITY  
RUEHBR/AMEMBASSY BRASILIA PRIORITY 1202  
RUEHSA/AMEMBASSY PRETORIA PRIORITY 1044  
RUEHQU/AMCONSUL QUEBEC PRIORITY 0565  
RUCPDO/DEPT OF COMMERCE WASHDC PRIORITY  
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY

UNCLAS SECTION 01 OF 02 PORT AU PRINCE 001609

SIPDIS

SENSITIVE  
SIPDIS

STATE FOR WHA/CAR  
EB/IFD  
S/CRS  
SOUTHCOM ALSO FOR POLAD  
STATE PASS TO USAID FOR LAC/CAR  
INR/IAA (BEN-YEHUDA)  
COMMERCE FOR SCOTT SMITH  
TREASURY FOR JEFFERY LEVINE  
WHA/EX PLEASE PASS USOAS

E.O. 12958: N/A  
TAGS: [ECON](#) [EAID](#) [PGOV](#) [PINS](#) [HA](#)  
SUBJECT: HAITIAN-DR BORDER CALM: BUT NO COMMERCIAL TRAFFIC  
YET

REF: A. PAP 1552

[1](#)B. PAP1417

PORT AU PR 00001609 001.2 OF 002

[1](#)1. (U) This message is sensitive but unclassified: please protect accordingly.

[1](#)2. (SBU) Summary and comment: Jeantal Clervil, head of customs for Malpasse at the Haitian-DR border (on August 24) told emboffs visiting the border town that the situation had calmed considerably since the Haitian National Police (HNP) sent in reinforcements August 22. Clervil said that situation would stay calm as long as the HNP remained in the area because the protesters, a small number of transport workers called "Transporters in Action," were unorganized and powerless in the face of a strong police presence. The Police Commissioner for Malpasse Jacques Noel Orival echoed Clervil's assessment and added that Clervil was enforcing the law and not charging an "unacceptable sur-tax" as the protesters claimed in calling for Clervil's resignation. This was the first step in what will presumably be a series of enforcement activities around Haiti in order to raise government revenues. Malpasse was a wise start; if one of the largest, and previously lawless, points of entry proved manageable with an increase in police presence, perhaps the others, including regional ports, will too. End summary and comment.

[1](#)3. (U) Malpasse is located on the Haitian-DR border, 50 kilometers east of Port-au-Prince on a main route. On the way to Malpasse, emboffs passed through the town of Fond Parisien (located two kilometers from the border), where the strikers set up barricades to prohibit commercial traffic from crossing into Haiti from the Dominican Republic (reftels). Everything appeared calm: the town seemed quiet and the road was empty. Both Jeantal and Orival said that although the border was never officially closed, there had been no commercial traffic since late July, because of the

barricades which forced commercial traffic to turn around.  
(Note: There are two border crossings located north of Malpassee at Belladere and Ouanaminthe, where customs' controls are non-existent. Haitian officials suspect that the goods are crossing into Haiti from these towns despite the difficult trek on badly-maintained roads to Port-au-Prince. End note.)

14. (SBU) According to Clervil, transport workers "in most countries" have no problems with customs, since they are paid only to transport goods and are not responsible for the import fees. However, because the Port-au-Prince importers rely on the transport workers to negotiate border transactions (fees and bribes) the transport workers are "posing as importers" in protesting the import fees. Since Clervil's appointment in December 2005 until the onset of the strike, he had raised government revenue at the Malpassee border to US \$1550 from around US \$300 per month (ref A). Clervil estimated that the government has lost around US \$2500 in import fees since the strike started on July 10. He stressed that this is a small cost compared to the loss by the Dominicans which sell their goods to Haiti. Emboffs visited the border market, which is usually bustling with Dominican goods, and found it quiet and calm, with only a few goods for sale, some trinkets and bottles of alcohol.

15. (SBU) Comment: Newly-elected President Rene Preval tasked the ministry of finance with raising government revenues. Customs fees, which include a value-added tax, are traditionally and by far the greatest source of income for the government. It follows that the ministry targeted the bustling point of entry at the border as the first real push to raise revenues. Though commercial traffic coming through Malpassee has stopped for the time being -- and government revenues which had drastically increased are now at zero -- the government's strong stance demonstrates its serious posture regarding customs enforcement. Should the GOH move

PORT AU PR 00001609 002.2 OF 002

to enforce customs fees at other points of entry, they will likely face local contention to government intervention, particularly at regional ports located in lawless areas like Gonaives and St. Marc. However, local resistance in Malpassee, one of the largest points of entry and also traditionally lawless, proved manageable, though the GOH took its time to generate an appropriate response.  
TIGHE